

**CITY COUNCIL
BUSINESS MEETING MINUTES
March 15, 2011**

The Business Meeting of the Monroe City Council was held on March 15, 2011, in the Council Chambers at City Hall. Mayor Robert Zimmerman called the meeting to order at 7:10 p.m.

Councilpersons present: Balk, Stima, Rodriguez, Cudaback, Tuttle, Williams, and Goering.

Staff present: Brazel, Feilberg, Quenzer, Harris, Farrell, Smith, Nelson, Wright, Swanson, and Martinson.

City Attorney Zach Lell was also present.

Mayor Zimmerman explained that members of Boy Scout Troop #191 were in attendance with their Scout leader, Russell Tarelton; Scout Karl Moore led the Pledge of Allegiance.

PUBLIC HEARING

AN2010-02 Calhoun Road Annexation and Zoning: A. Public Testimony on Annexation

Assistant Planner Swanson gave a brief overview, explaining that this was the first of two public hearings on this topic. There are three single-family residences in the area in question. They received one letter from a citizen who was against the annexation, due to taxes and mandatory garbage. The property taxes should be about the same as they currently pay. Another citizen objects to the zoning and has concerns about the septic system. The zoning will remain the same. No action is required, since this is the first of two hearings. He will contact the citizen to clarify his concerns.

Mayor Zimmerman opened the public testimony portion of the public hearing.

Rob Forsberg, 20425 Calhoun, stated that he needs more clarification on what the benefit is for them to be annexed and also had a question about septic and sewer.

Dean Schwartz, 20505 Calhoun Road, stated that he pays \$20 per year for garbage pick-up; in the City it would be a minimum \$112.68 per year. The utility taxes are also higher. He questioned whether they would be required to hook up to City sewer. Assistant Planner Swanson explained that, if their septic system failed, they would be required to hook up to City sewer at that time. Mr. Schwartz stated that he would have to pay \$547.92 more per year to be in the City. He is happy being in the county.

The motion was made by Councilperson Goering and seconded by Councilperson Cudaback to close the public testimony portion of the public hearing. On vote,

Motion carried 7/0.

After discussion, the motion was made by Councilperson Rodriguez and seconded by Councilperson Cudaback to close the public hearing. On vote,

Motion carried 7/0.

North Kelsey/Development Agreement/North Parcel; A. Citizen Testimony; B. Council Action/Development Agreement with Sabey

City Attorney Lell gave an overview of the proceedings and introduced Attorney Dave Ellenhorn. Attorney Ellenhorn gave the background on the sale of the 24.5 acres. He listed the benchmarks and explained that the Conceptual Site Plan and Development Agreement are being presented to Council tonight. The Development Agreement provides certainty to all parties and binds all parties. At the request of the applicant, the approval of the binding Site Plan and grading permit were included in the Development Agreement. If approved, they would become part of Development Agreement.

City Attorney Lell explained that the proceedings are part of an open record and that closed record proceedings are done differently. The order of the proceeding is established by City codes. He explained the proceedings and the Appearance of Fairness Doctrine. He asked each Councilmember to state whether they have any interest or connections to any parties involved in the proceedings. Councilperson Cudaback disclosed that she started investing in Walmart in 2005 and has 10 shares. City Attorney Lell then asked whether any Councilmembers: 1. Had any family members who are parties of record; 2. Any personal or familial relationship with applicant; 3. Owned property within a 500 ft radius of the City property in question; or 4. Had any personal interest in the property or parties of record. All Councilmembers responded in the negative. He asked if any Councilperson had any potential bias or pre-judgment. Each Councilmembers disclosed various communications that they'd had with various groups and/or individuals.

For the record, City Attorney Lell asked each Councilmember after the disclosures if he/she could approach this in a fair and unbiased manner. Each Councilperson answered in the affirmative. Council also confirmed as part of the record that they had reviewed the packet materials prior to the start of the hearing.

City Attorney Lell explained that e-mails regarding the sale and Walmart are available and placed in the record. He explained the subject of the various e-mails and that most of them were one-way communications to Council. He asked Councilmembers if there was any further ex parte communications.

Councilperson Balk explained about a meeting with various union members at his house asking questions about the Purchase and Sale Agreement and if he thought it would be a Walmart going in at that site.

It was stated that the applicants or any member of the public could raise objection to any councilmember sitting in judgment tonight. Failure to challenge would waive any opportunity in the future.

Associate Planner Wright explained that they would be discussing the Development Agreement, the Conceptual Site Plan, the Binding Site Plan, and the Grading Permit.

Richard Alvarez 14427 Deerfield Drive, Monroe, doesn't feel that Council would be impartial. He feels like they have mostly looked at the negative side and haven't looked into the positive side. It feels that they are mostly listening to the opposing side. He is not confident that they would be impartial.

Ronnie Davenport, 507 8th Street, Apt. 9, Sultan, wants to see a bowling alley go in and other places for handicapped people. Walmart hurt Fred Meyers and he doesn't want to see it hurt his job.

Gentleman (unnamed), 608 Powell Street, is concerned about preponderance of the "no Walmart" group. He is worried about Councilperson Balk's continued involvement. He is not confident about Balk having no bias. City Attorney Lell asked if he was raising a concern or an actual objection. He stated that he was just raising a concern.

Sandy Garcia also is not confident that Councilperson Balk could be unbiased. City Attorney Lell asked if she was challenging Balk. She stated that she was.

Alba Alvarez started to address Council about Walmart; but, was asked to speak during the public testimony portion of the hearing.

Steven Jensen, 17401 155th St SE, Monroe, asked if all Councilmembers were challenged, would it go to a public vote. City Attorney Lell responded that the *Doctrine of Necessity* would allow all Councilmembers to come back to vote.

City Attorney Lell asked Councilperson Balk to explain further about the meeting with union members at his house. Councilperson Balk explained to them and other groups why he had voted for the Letter of Intent and then against the sale of the property. He has had many conversations with several groups and explained that he voted against the sale, because he felt that we could have negotiated directly with Walmart. He only answered questions that he felt were consistent with the process.

After asking clarifying questions, City Attorney Lell didn't feel that there was a basis to prohibit Councilperson Balk's participation, and that Balk would remain. The applicant didn't raise any concerns.

Mayor Zimmerman opened the public hearing and asked for the staff presentations.

Associate Planner Wright gave the background explaining that they would be talking about the Development Agreement, Binding Site Plan, and Conceptual Site Plan. He gave the history of the sale and an overview of the North Kelsey plan, goals, and guidelines. He explained mitigation requirements, the purpose of the Binding Site Plan, and noted the Findings and Conclusions.

He explained that conditions of approval relate to the idea that there could be some minor things that come along and could be reviewed by staff and/or Council.

Mayor Zimmerman turned the floor over to the applicants.

Mike Hansen, Sabey Corporation and North Kelsey LLC, 1220 Tukwila International Blvd., Seattle, WA, introduced Clete Casper a colleague from Sabey Corporation. Mr. Hansen gave a brief introduction and stated that he hopes the presentation will give insight into their plans and what they are trying to accomplish. They want this to work for the City and the intent of the North Kelsey design, and for Walmart, as well. They understand the high expectations and want to become a part of the community. He then introduced their team who were there to answer any questions Council might have: Jack McCullough and Courtney Flora legal representatives for Walmart; Jeff Chambers, Pacland; Hugh Mortenson, Watershed company; Katherine Jerkovitch, VCRA, architect; Mike Swenson, Transpo; traffic expert; and Jennifer Spall, corporate representative for Walmart. Their goal is the approval of the Conceptual Site Plan and Development Agreement.

Jeff Chambers, Pacland, 1505 Westlake Ave N., Seattle, gave his background and experience. He gave a presentation explaining the details of the Site Plan, including pedestrian access, sidewalks, crosswalks, and the stormwater design.

Hugh Mortensen, The Watershed Company, 756th St. S. Kirkland, gave his background and experience. He explained the results of the study, which included an extensive review of wildlife on the property. None were seen on the site during any of the work. The only species of any concern are down by the river and the Swifts, which are located at the school. The wetlands are Category 4, the lowest quality out of four categories. No part of the project is near the required 50 foot buffers.

Katherine Jerkovitch, BCRA, 2106 Pacific Avenue, Tacoma, has worked on Walmart projects and other commercial developments for nine years. She explained that the Walmart building had been designed using a variety of architectural techniques that are consistent with the design concepts of the North Kelsey Plan area and will be compatible with the nearby existing development. She explained the various design elements, building materials, and colors. She concluded stating that the proposed design of the Walmart building meets the intent of goals and elements in North Kelsey design plan.

Michael Swenson, Transpo Group, 11730 118th Avenue NE, Kirkland, has been with the firm for 14 years. His presentation highlighted the analysis of the traffic study that was completed for this project. The scope of the analysis was to determine consistency with planned action SEIS and review of site access and driveways for circulation. He explained the trip generation methodology and how they derived at the estimates. He explained the Trip Generation Summary and compared the North Kelsey SEIS trip generation of 835 PM peak hour trips to the Discount Superstore PM peak hour trips of 515.

Erin (in audience) asked if there was consideration calculating trains in the area, too. Mr. Swenson explained that they didn't consider train impact, as their scope was limited to the driveways. It wasn't required for what they were analyzing.

Melvin Sexton, lives on Highbridge Road, mentioned the bypass highway. Wants to know what Walmart is going to do for Monroe and the citizens.

Mayor Zimmerman explained that there is a process that the City must follow with regards to this proposal.

Jim Karr, 18433 126th Street SE, Snohomish, explained that he lives up Chain Lake Road from the project. He asked about the 885 trips and whether it was per hour or per day. Mr. Swenson explained that he would expect 515 per hour during peak hours; but didn't have numbers for the 7:00 a.m. timeframe. If parking spaces are full, it would be approximately 8300 vehicle trips per day. Delivery trucks are factored into the totals.

Jennifer Spall, 10604 NE 38th Place, Kirkland, senior manager for public affairs for Walmart also introduced Mark Pallum, Market Manager, who will be involved in the hiring for the Monroe Walmart store. They have been excited to come to Monroe and have had overwhelming support in Snohomish County. They spent months interviewing people in Sky Valley, and have a binder with 1700 people from the area supporting this project. Last year Walmart gave \$5.8M in contributions in the state of Washington, with over \$100,000 being given in Snohomish County. Most of the delivery trucks deliver at night, in off-peak hours, or on an as-needed basis. On average, there would be three or four trucks per week at night, plus vendors with smaller trips.

Mike Hansen concluded by stating that they will provide any information needed.

After clarifying questions from Council, Mayor Zimmerman opened the public testimony portion of the public hearing. He reminded citizens to limit their comments to five minutes and to refrain from making comments and applauding during public testimony.

The motion was made by Councilperson Stima and seconded by Councilperson Cudaback, to extend the meeting past 10:00 p.m. On vote,

Motion carried 7/0.

Stashka Lepera, 13001 Ingraham Road, Monroe, she and the MPAC all agree that the current Site Plan doesn't meet the North Kelsey plan. She read into the record an e-mail from Tom Pollack, a traffic engineer, criticizing the traffic study. She submitted 1300 signatures of Sky Valley citizens opposing Walmart.

Diane Elliott, 15550 174th Avenue SE, Monroe, reviewed points in the Purchase Agreement and North Kelsey Guidelines. She feels that the Site Plan presented is the standard Walmart cookie-cutter style that is seen all over the country. She asked Council to reject the proposed Binding Site Plan.

Debra Chase, 18232 299th Ave SE, Monroe, represents MPAC. They are not anti-Walmart; they are advocates of North Kelsey plan. She gave a presentation highlighting North Kelsey Design Guidelines vs. the Walmart concept. MPAC asks Council to vote, "No."

Steven Lauten, 19632 Rainier View Road, feels Walmart will have competitive advantages that other companies don't have. He stated that it's not in the best interest of the people and businesses.

Alena Perez, 5030 1st Avenue S. Seattle, represents Local 21 members. They are opposed to the development of the site. She requested that the City allow more time and keep record open for further opportunity to review the Site Plan and all materials.

Teresa Willard, 27115 Old Owen Road, Monroe, is against the sale to Walmart and the way the Purchase Agreement was handled.

Carol Defillo, 14515 254th Ave SE, is against Walmart. She believes Walmart would destroy Monroe's ability to prosper.

Gary Carpenter, 43825 Fir Road, Gold Bar, worked in town 1974-1999. He compared Monroe to Aberdeen and the traffic in Aberdeen that increased after Walmart went in. A vast majority support Walmart. If we cut out the right of citizens, we will cut out the ability of people to afford to run their families.

Deborah Smith, 19345 137th Place SE, Monroe, stated that she and her family support a Walmart in Monroe. Walmart will help Monroe thrive; businesses will come in; competition will be good. With free trade and democracy, Walmart has a right to come to Monroe.

Tom Green, 32400 132nd SE, Sultan, is in favor of Walmart coming to Monroe. His friends and family are in favor of Walmart coming to Monroe. He hopes this goes through the way it was presented.

Gary Webster, 13015 Ingraham Rd, Monroe, quoted from an article in the Herald that stated that the North Kelsey plan was for a walkable, vibrant retail hub for the City. He doesn't feel that this plan is close to the vision for North Kelsey.

Sharon Damkaer, 21318 195th Ave SE, Monroe, has lived here 21 years and wants to leave this world a better place. She hopes Council will consider the proposal and its impact.

Melinda Larke, 15269 Hilding Avenue SE, Monroe, loves Monroe and wants to see it grow and prosper. She feels that bringing Walmart or any big box won't be good.

Sam Wierching, 202 N. Lewis, of Sam's Cats and Dogs, has seen studies that show that Walmart damages communities. He wants a community that is good for family, and wants to encourage small local diverse businesses.

Heidi Webster, 13015 Ingraham Road, feels that Council has lost the vision of a gathering place for families. She listed points against Walmart and showed pictures of what it could be like in the North Kelsey area.

Rosie Tatel, 14969 174th Avenue, Monroe, asked Council to follow the Comprehensive Plan to the letter. She doesn't want a box store that is a parking lot of cars. She would like to see art and a theme in North Kelsey.

Harvey Tatel didn't wish to address Council.

Josh Phillips, 26906 175th Place SE, Monroe, feels that Council shouldn't make another poor decision after selling the property for a loss. He doesn't feel that Walmart's promises for extra income to the City will come true.

Dean Thompson was not present.

Peter Mellinger, 12730 227th Ave SE, Monroe, likes the charm of Historic Monroe. He feels that Walmart will create imbalance and create an inequality.

Frank Parsons, 10722 150th Street SE, Monroe, feels that each person has a right to go where they want to shop. It's the free enterprise system. Walmart will bring in people and will help small businesses. Walmart is not the enemy.

Jeffrey Beeler, PO Box 94, Sultan, stated that his wife got excited about Walmart coming to Monroe, as she will have less travel time to shop. Walmart should have the same equal right to run a business as anyone else. Council should push more to lobby for the bypass.

Jane Kelly had departed; but left letter with 18 signatures in support of Walmart.

Jim Stiles, 205 Sky Wall Drive, Sultan, stated that our country is based on free enterprise. Competition is good for our communities. This store brings more than just competition; it brings jobs. Nobody has come up with a viable alternative. There is no 'Option B'.

Richard Alvarz had departed; but, left note for the record.

Denise Nelson, 514 Powell, Monroe, stated that the traffic will be interesting if Walmart goes in. Throw in Walmart, current traffic, fair traffic, and trains, and we will have a rolling parking lot. This is not good for the community and not a well thought out idea.

Cheryl Smith, 15218 182nd Avenue SE, Monroe, doesn't feel that that Walmart can meet the North Kelsey Plan. She wants North Kelsey to be the place to go on a rainy day and suggested covered spaces and a yearly annual rain festival.

Leanne Jacobsen had already left.

Melvin Sexton, Highbridge Road, stated that Walmart will bring jobs to us and local merchants will have to compete harder. Council is overlooking that we need jobs.

Laurie Arnold had already left.

Bob Abbott, 608 Powell Street, Monroe, feels that Walmart brings in varying levels of jobs, which will help get kids off the streets and have a way to earn money. He asked if the esthetics of a building is that important. He stated that the economy has changed and asked Council to remember what is important.

Ed Elliott had already left.

Mike Larson, 191st in Monroe, is in support of Walmart. When Safeway moved to Highway 2 and Albertsons and Fred Meyer came in, people were concerned about smaller stores. Anything going into North Kelsey will cause traffic. He suggested that the City put red light cameras around Walmart to increase revenue.

Steve Jensen, 17041 155th Street SE, Monroe, feels that the contract was not well written for the City. He doesn't like Walmart and asked Council to reject the current plan.

David Snyder, 27815 161st Street SE, Monroe, if naysayers won 100 years ago, there wouldn't be a Monroe. Look at what is good for Monroe. There will always be traffic; it's a main highway and doesn't have anything to do with Walmart. He asked Council to vote for Walmart.

Eleanor Walters, 18025 Trombley Road, Snohomish, shops in Monroe and goes to restaurants and dentist here. She has written, reviewed and modified contracts, and feels that the contract is one-sided. She is also concerned about the class action suit by 1.6M women declaring gender bias against Walmart.

Elaine Summers, 24406 Street SE, Monroe, has seen a lot of changes. She was encouraged with the North Kelsey Plan and citizens being invited to participate. She wants to see the plan to come to fruition. She wants Monroe to become a community that has a signature.

Joel Phillips 505 Circle drive, Monroe, stated that we already have a Walmart here, with Big 5 and Fred Meyer. He encouraged Council to keep the vision for Monroe.

Sharon Cordisco 23110 118th St. SE, Monroe, is an avid shopper and has researched Walmart business practices. She won't shop at Walmart. She would rather see a mix of retail and something done about the traffic.

Mike Turner, 22829 150th Street SE, shops at Walmart and would rather do it in Monroe than to drive to Lynnwood.

Jasper Scott Weis, 474 W. Columbia Street, Monroe, is concern that the City will count too much on Walmart for revenue. She also doesn't see the fixes in traffic that will allow bike riding. She feels that jobs in Monroe will hurt the neighboring towns' employment.

Jane Smitchger, 312 N. Madison, stated that she wrote a letter to City Councilmembers on February 9th. They are concerned about traffic and would like to see more variety in North Kelsey. She feels that there is no competition with Walmart.

Gina Jones, 27509 Florence Acres Road, stated that the Site Plan is what this is about. Have Walmart provide a Site Plan that fits. Make it into smaller buildings; so, if they leave, there would be smaller buildings to bring other retailers into.

Lauren Lizana, 3021 81st Street SE, Mercer Island, stated that Walmart's good prices are from outsourcing, and the money goes to China. We need to support local and American businesses and goods. If Walmart is approved, they won't buy a house in Monroe.

The motion was made by Councilperson Goering and seconded by Councilperson Stima, to close the public testimony portion of the hearing.

Mayor Zimmerman asked for a friendly amendment to keep the record open for additional written testimony until Friday, March 18, 2011, 5:00 p.m., to allow time for rebuttal.

After discussion, the amendment was agreed to, and the motion on the floor was to allow further written comments until Friday, March 18, 2011, 5:00 p.m. On vote,

Motion carried 5/2.

Councilpersons Balk and Cudaback were opposed.

The motion was made by Councilperson Goering and seconded by Councilperson Stima, to formally continue the public hearing until 7:00 p.m., on March 29, 2011.

After a question about the process, City Attorney Lell explained the procedural rules and stated that the written record would remain open until Friday, March 18, 2011, 5:00 p.m. However, public input was closed. Staff and applicant can give rebuttal testimony and can submit written material and rebuttal by 5:00 p.m., Friday, March 18, 2011. Council can ask questions of staff and applicant at the continued hearing.

The motion was on the floor to continue the public hearing until 7:00 p.m., Tuesday, March 29, 2011. On vote,

Motion carried 7.0.

COMMENTS FROM CITIZENS

Steven Jensen, 17041 155th Street SE, Monroe, addressed Council regarding the sign ordinance. He feels that the sign ordinance is fine the way it is.

CONSENT AGENDA

The motion was made by Councilperson Stima and seconded by Councilperson Goering to approve the Consent Agenda. On vote,

Motion carried 7/0.

Items approved: 1A) February 1, 2011 Business Meeting Minutes; 1B) February 8, 2011 Study Session Minutes; 2) Bills (Vouchers #078970 – 079093, in the amount of \$531,192.57; 3) Authorize Mayor to Sign Utility Construction Agreement with WSDOT for Accepting Hydrant Relocation Funds; 4) Authorize Mayor to Sign Easement Agreement with Comcast/Tjerne Place.

COUNCILMEMBER REPORTS

Council Finance and Human Resources Committee – Scope of Work

This item was rescheduled.

MAYOR/ADMINISTRATIVE STAFF REPORTS

Draft Agenda/March 22, 2011/Council Study Session


This item was not discussed.

There being no further business, the motion was made by Councilperson Stima and seconded by Councilperson Rodriguez, to adjourn the meeting. On vote,

Motion carried 7/0.

MEETING ADJOURNED: 12:54 a.m.


Eadye Martinson, Deputy City Clerk


Robert G. Zimmerman, Mayor